

Remarks

The Office Action mailed November 17, 2004 has been carefully reviewed and the foregoing amendment has been made in consequence thereof.

Applicant and the undersigned wish to express their appreciation to Examiner Morgan and Supervisory Examiner Thomas (the "Examiners") for the courtesies they extended during a telephone interview that occurred on February 10, 2005. Applicant was represented in the telephone interview by Daniel M. Fitzgerald and Robert B. Reeser.

During the interview, the Office Action dated November 17, 2004 was discussed. More specifically, the undersigned discussed the differences between the process and system recited in the present claims, as amended in the Amendment filed on July 29, 2004, and the process and system described in Walker et al. (U.S. Patent No. 6,119,093).

For example, the undersigned pointed out that Walker does not describe or suggest a method for a risk carrier to assume monetary risks from a plurality of risk cedents that includes posting by the risk carrier on a server associated with the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents. Rather, in contrast to the present invention, Walker describes an insurance company (in the role of a cedent) posting an invitation to offer to buy a share of an insurance policy.

Moreover, the undersigned advised the Examiners that Walker does not describe or suggest a method that includes enabling electronic submission by any one of the identified cedents of one of the proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the risk carrier, and electronically accepting, by the risk carrier, the offer submitted by one of the identified cedents to form a contract.

Rather, in contrast to the present invention, Walker describes an investor (a risk carrier) reviewing invitations to offer and submitting an offer to an insurance company (a cedent).

Furthermore, the undersigned argued that Walker does not describe or suggest a method that includes electronically accepting, by the risk carrier, the offer submitted by one of the identified cedents to form a contract. Rather, in contrast to the present invention, Walker describes an insurance company (cedent) accepting or rejecting an offer from an investor (risk carrier).

Although no agreement was reached with respect to the patentability of the claims in the present case, the Examiners generally agreed with the undersigned's analysis of Walker and suggested that "we are making progress" and "we are very close". In addition, Examiner Thomas suggested that Applicant amend the present claims to include a recitation that describes the risk carrier or the reinsurer controlling access to the server. Applicant has amended the claims to include such a recitation. For example, independent Claim 22 recites "a server system associated with the risk carrier configured to be coupled to said client system and said database, said server system comprising an accessing component that enables the risk carrier to control access to the server system and maintain data stored within the database including storing data records relating to the risk cedents and providing to the risk cedents secure access to selected data records...". The other independent claims were amended in a similar fashion.

Examiner Thomas further advised the undersigned to contact Examiner Morgan within two or three weeks from submitting this amendment to discuss the status of the case. The foregoing Amendment has been made in consequence of the Examiner Interview.

Accordingly, Applicant respectfully submits that the present patent application is in condition for allowance.

The Office Action indicates at pages 44-45 that this is a Final Office Action. However, the Office Action Summary indicates that the Office Action is Non-Final. A Request for Continued Examination was filed with the previous Amendment dated July 29, 2004. Accordingly, the undersigned contacted Examiner Morgan on January 10, 2005 to confirm that

this Office Action is Non-Final. Examiner Morgan confirmed that this is a Non-Final Office Action.

Claims 1-29 are now pending in this application. Claims 1-29 stand rejected.

The rejection of Claims 1-3, 5-10, 12-15, 17-24 and 27-29 under 35 U.S.C. § 103(a) as being unpatentable over Walker et al. (U.S. Patent No. 6,119,093) (“Walker”) is respectfully traversed.

Applicant respectfully submits that Walker does not describe or suggest the claimed invention. As discussed below, at least one of the differences between Walker and the present invention is that Walker does not describe or suggest a method for a risk carrier to assume monetary risks from a plurality of risk cedents that includes controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to each of the identified risk cedents and providing to the identified risk cedents secure access to selected data records. Rather, in Walker, the investor (risk carrier) does not control access to the server.

Moreover, Walker does not describe or suggest posting by the risk carrier on a server associated with the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents such that the proposals are viewable through a computer network, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents. (Emphasis added.)

Rather, Walker describes a system for facilitating a syndicated sale of an insurance policy. More specifically, Walker describes a system wherein an insurance company (in the role of a cedent) posts insurance policy information including an invitation to offer to buy a share of an insurance policy to an insurance company server (110) such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) by transmitting an investment order to an insurance syndication service central server (120) such that the insurance company (cedent) can accept or reject the offer electronically (Col. 4, line 47

to Col. 5, line 53). (Emphasis added.) In other words, Walker describes a system wherein the insurance company (cedent) submits an invitation to offer, the investor (risk carrier) reviews the invitation to offer and submits an offer back to the insurance company (cedent), and the insurance company (cedent) accepts or rejects the offer electronically.

Walker therefore does not describe or teach posting by the risk carrier, on a server associated with the risk carrier, a plurality of proposals to assume selected risks of the identified risk cedents. Rather, in Walker, the risk carrier (i.e., the investor) transmits an investment order (i.e., an offer) to an insurance syndication service central server (120). In Walker, the insurance syndication service central server (120) is not described as being associated with the risk carrier (i.e., the investor).

Moreover, Walker does not describe or suggest posting by the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents. (Emphasis added.) Rather, in contrast to what is asserted in the Office Action, Walker describes a system wherein the risk carrier (i.e., the investor) transmits an investment order (i.e., an offer) – not a proposal – that the insurance company (cedent) can accept or reject. This investment order, which is submitted by the risk carrier, is an offer and not a proposal as recited in the presently pending claims. For at least these reasons, the presently pending claims are submitted to be patentable over Walker.

In addition, Walker does not describe or suggest a method that includes enabling electronic submission by any one of the identified cedents of one of the proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the risk carrier, and electronically accepting, by the risk carrier, the offer submitted by one of the identified cedents to form a contract. Rather, in Walker, the offer is transmitted by the risk carrier (the investor) to the cedent (the insurance company) for acceptance by the cedent to form the contract; whereas in the present invention the offer is submitted by the cedent to the risk carrier for acceptance by the risk carrier to form the contract.

Furthermore, Walker does not describe or suggest a method that includes using the server associated with the risk carrier for electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount. Rather, Walker does not describe or suggest any server associated with the risk carrier (the investor). Moreover, in Walker, the investor (risk carrier) does not submit "proposals" but rather only submits "offers" that are to be accepted or rejected by the insurance company (cedent). Accordingly, for at least these reasons and for other reasons set forth below, Applicant respectfully submits that the presently pending claims are patentable over Walker.

Walker describes a system for facilitating a syndicated sale of an insurance policy. The system employs a processor and a storage device connected to the processor, and a data receiving device and a data output device connected to the processor. The processor executes a program to receive information relating to the insurance policy, and transmit for electronic viewing by a potential buyer an invitation to offer to buy a share in the underwriting of the insurance policy. The share has associated therewith a risk cost assessable to the buyer if payment is made on a claim under the insurance policy. The processor receives offers to underwrite the share of the insurance policy; each offer includes information identifying collateral (e.g., line of credit associated with a credit card account) against which the risk cost may be charged in the event of payment on a claim. The transmission of the invitation and the offer to buy a share may advantageously be made on the Internet.

More specifically, Walker describes a system wherein an insurance policy is offered in syndication by posting on a syndication website (130). A central controller transmits policy information (101) via the Internet (100) to the insurance syndication service central server (120) (step 906). The syndication central server (120) posts the policy information on the syndication website (130) (step 909). An investor then connects to the website via the Internet (100) and browses the policy information on a policy by policy basis. The investor decides to purchase a portion of a specific insurance policy in syndication (step 1003), and then links to the insurance syndication order form (step 1004) via the insurance syndication service homepage. The

investor enters his personal information on order form (620) (step 1005). This information may include the user's name (481), credit card type, credit card number, issuing bank and expiration date (485), and e-mail address (484). The user also enters information regarding the policy in which he wishes to invest (step 1006). The user then clicks the "submit order" box (621) (step 1007) which causes the information to be encrypted and transmitted to the syndication central server (120) via the Internet. Finally (step 1008), the user (investor) is prompted with a response date within which he will receive confirmation of the syndication contract. Alternatively, if credit can be verified in real time, an immediate confirmation will be provided.

In step (1101), the syndication central server (120) receives and decrypts the transmission from the user (141). The server (120) then contacts the credit card issuing bank and submits a transaction request (105), requesting a freeze on the user's credit line for the amount of risk assumed by the user in syndication of the specific policy for the designated amount of time (step 1104). The credit card issuing bank server (150) accesses the cardholder database (720) and account database (730) and determines the existing unused credit line (step 1105). The server (150) then determines whether the available unused credit line is sufficient to perform the transaction (step 1106). If not (step 1109), the issuing bank server (150) rejects the transaction and so notifies the insurance syndication service central server (120); the syndication central server (120) then notifies the user of the rejection via e-mail (step 1110). If the user has sufficient available credit (step 1107), the issuing bank server (150) freezes the necessary line of credit on the user's credit card for the specified time and sends the syndication central server (120) a verification (106) for the transaction.

The server then gathers appropriate investment information (step 1125) to include in the confirmation (630) to be sent to the investor. The server transmits (step 1126) the digital receipt (107) of the investment to the user via the e-mail address provided on the order form. Finally, in step 1127, the syndication central server encrypts and transmits the updated syndication and individual transaction information to the insurance company server (110).

In other words, Walker describes a system wherein an insurance company (in the role of a cedent) posts insurance policy information including an invitation to offer (Col. 2, line 56) to

buy a share of an insurance policy to an insurance company server (110) such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) by transmitting an investment order to an insurance syndication service central server (120). The syndication server (120) processes the offer and then contacts the credit card issuing bank and submits a transaction request (105), requesting a freeze on the user's credit line for the amount of risk assumed by the user in syndication of the specific policy. The credit card issuing bank server (150) then determines whether the available unused credit line is sufficient to perform the transaction (step 1106). If not (step 1109), the issuing bank server (150) rejects the transaction and so notifies the insurance syndication service central server (120); the syndication central server (120) then notifies the user of the rejection of the offer (step 1110). If the user has sufficient available credit (step 1107), the issuing bank server (150) freezes the necessary line of credit on the user's credit card for the specified time and sends the syndication central server (120) a verification (106) for the transaction. The server (120) then sends a confirmation (630) to the investor confirming that the offer has been accepted by the insurance company (cedent).

Black's Law Dictionary Sixth Edition provides that an "offer creates a power of acceptance permitting the offeree by accepting the offer to transform the offeror's promise into a contractual obligation." (See Exhibit "A" attached hereto.) Clearly, in Walker, the investment order submitted by the investor (risk carrier) to the insurance company (cedent) is an offer, which can be accepted or rejected by the insurance company based upon at least whether the investor has a sufficient line of credit on the credit card offered as collateral. In fact, Walker describes at Col. 2, lines 56-67 that the "processor extends invitations to prospective buyers to make offers to purchase shares of the policy in syndication" and that the "processor also receives the offers to purchase shares of the insurance policy, where each offer includes information identifying a collateral security against which the risk cost may be charged in the event of payout of the insurance policy." (Emphasis added.) Accordingly, Walker describes a system wherein the insurance company (cedent) posts an invitation to offer, the investor (risk carrier) responds by transmitting an offer, and the insurance company either accepts the offer to form a contract or rejects the offer.

In contrast to Walker, Claim 1 recites a method for a risk carrier to assume monetary risks from a plurality of risk cedents using a server associated with the risk carrier, the server is coupled to a database, the method includes “(a) calculating an available risk assumption capacity for the risk carrier including at least one of a per occurrence capacity and a cedent capacity, the per occurrence capacity is a predetermined amount of risk that the risk carrier may assume for a specific type of risk, the cedent capacity is a predetermined amount of risk that the risk carrier may assume for a specific cedent... (b) identifying risk cedents having a class of risk that includes at least one type of risk that the risk carrier is interested in assuming under predetermined terms... (c) controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to each of the identified risk cedents and providing to the identified risk cedents secure access to selected data records... (d) posting by the risk carrier on the server associated with the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents such that the proposals are viewable through a computer network, each proposal including financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, the proposals are not offers to be accepted by the identified risk cedents... (e) initializing on the server the available risk assumption capacity of the risk carrier... (f) enabling electronic submission by any one of the identified cedents of one of the proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the risk carrier... (g) electronically accepting, by the risk carrier, the offer submitted by one of the identified cedents to form a contract... (h) electronically recalculating the available risk assumption capacity upon accepting the offer... and (i) using the server associated with the risk carrier for electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount.”

Walker does not describe or suggest a method for a risk carrier to assume monetary risks from a plurality of risk cedents as recited in Claim 1. More specifically, Walker does not describe or suggest a method that includes controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to each of the

identified risk cedents and providing to the identified risk cedents secure access to selected data records. Notably, in Walker, the investor (risk carrier) does not control access to the server.

Moreover, Walker does not describe or suggest a method that includes posting by the risk carrier on a server associated with the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents such that the proposals are viewable through a computer network, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents.

Rather, Walker describes a system for facilitating a syndicated sale of an insurance policy wherein the insurance company (cedent) submits an invitation to offer, the investor (risk carrier) reviews the invitation to offer and submits an offer back to the insurance company (cedent), and the insurance company (cedent) either accepts or rejects the offer electronically. Notably, Walker does not describe or teach posting by the risk carrier, on a server associated with the risk carrier, a plurality of proposals to assume selected risks of the identified risk cedents. In Walker, the risk carrier (i.e., the investor) transmits an investment order (i.e., an offer) to an insurance syndication service central server (120). Walker does not describe or teach that the insurance syndication service central server (120) is associated with the risk carrier (i.e., the investor).

Moreover, Walker does not describe or suggest posting by the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents. (Emphasis added.) Rather, in contrast to what is asserted in the Office Action, Walker describes a system wherein the risk carrier (i.e., the investor) transmits an investment order (i.e., an offer) – not a proposal as recited in Claim 1 – to the insurance company (cedent) for acceptance or rejection.

Additionally, because the investor (risk carrier) in Walker does not submit proposals but rather offers and does not submit specific contractual language as recited in Claim 1, Walker

does not describe or teach posting by the risk carrier, on the server associated with the risk carrier, a plurality of proposals to assume selected risks of the identified risk cedents wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents.

In addition, Walker does not describe or suggest a method that includes enabling electronic submission by any one of the identified cedents of one of the proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the risk carrier, and electronically accepting, by the risk carrier, the offer submitted by one of the identified cedents to form a contract. Rather, in Walker, the offer is transmitted by the risk carrier (the investor) to the cedent (the insurance company) for acceptance by the cedent to form the contract or for rejection by the cedent; whereas in the present invention the offer is transmitted by the cedent to the risk carrier for acceptance by the risk carrier to form the contract or for rejection by the risk carrier.

Furthermore, Walker does not describe or suggest a method that includes using the server associated with the risk carrier for electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount. Rather, Walker does not describe or suggest any server associated with the risk carrier (the investor).

The Office Action acknowledges at page 5 that Walker fails to teach “electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount.” However, the Office Action asserts at page 6 that Walker teaches “in one particular preferred embodiment, investors themselves arriving at a rate for a policy, by offering bids against a given portion of risk” and that Walker teaches “a syndication central server that transmits updated syndication and transaction information to the insurance company server suggesting that once an investor makes payment, the amount of available risk assumption capacity is decreased (recalculated) and the policy information is update...This essentially

withdraws from availability the submission of offers and proposals....” Applicant traverses this assertion.

Applicant respectfully submits that Walker does not describe or teach using the server associated with the risk carrier for electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount. In fact, in Walker, neither the syndication service central server (120) nor any other server are described as being associated with the investor (risk carrier). Therefore, Walker does not teach using a server associated with the risk carrier for electronically withdrawing any proposals. Moreover, in Walker, the investor (risk carrier) does not submit “proposals” but rather only submits “offers” that are to be accepted by the insurance company (cedent). Thus, the investor in Walker cannot withdraw from availability for submission as an offer any proposals. Walker therefore does not describe or teach using a server associated with the risk carrier for electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount. Accordingly, Applicant respectfully submits that Claim 1 is patentable over Walker.

For at least the reasons set forth above, Claim 1 is submitted to be patentable over Walker.

Claims 2 and 3 depend from independent Claim 1. When the recitations of Claims 2 and 3 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claims 2 and 3 likewise are patentable over Walker.

Claim 5 recites a method for a risk carrier to assume monetary risks from a plurality of risk cedents using a server associated with the risk carrier, the server coupled to a database, the method includes “(a) calculating an available risk assumption capacity for the risk carrier including at least one of a per occurrence capacity and a cedent capacity, the per occurrence capacity is a predetermined amount of risk that the risk carrier may assume for a specific type of risk, the cedent capacity is a predetermined amount of risk that the risk carrier may assume for a

specific cedent...
(b) identifying risk cedents having a class of risk that includes at least one type of risk that the risk carrier is interested in assuming under predetermined terms...
(c) controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to each of the identified risk cedents and providing to the identified risk cedents secure access to selected data records...
(d) posting by the risk carrier on the server associated with the risk carrier a proposal to assume a monetary risk of the identified risk cedents such that the proposal is viewable by the identified risk cedents through a computer network, each proposal including financial terms and specific contractual language proposed by the risk carrier for assuming a monetary risk of the identified risk cedents, the proposals are not offers to be accepted by the identified risk cedents...
(e) initializing on the server the available risk assumption capacity of the risk carrier...
(f) enabling at least one of the identified risk cedents to respond to the proposal to assume a monetary risk by electronically submitting to the risk carrier an offer to cede the monetary risk for acceptance by the risk carrier...
(g) electronically accepting, by the risk carrier, the offer submitted by one of the identified risk cedents to form a contract...
(h) electronically recalculating the available risk assumption capacity upon accepting the offer...and
(i) using the server associated with the risk carrier for electronically withdrawing the proposal from availability for submission as an offer to cede the monetary risk if further acceptance of the offer would reduce the available risk assumption capacity, as recalculated, below a selected amount.”

Walker does not describe or suggest a method for a risk carrier to assume monetary risks from a plurality of risk cedents as recited in Claim 5. More specifically, Walker does not describe or suggest a method that includes controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to each of the identified risk cedents and providing to the identified risk cedents secure access to selected data records. Notably, in Walker, the investor (risk carrier) does not control access to the server.

Moreover, Walker does not describe or suggest a method that includes posting by the risk carrier on the server associated with the risk carrier a proposal to assume a monetary risk of the identified risk cedents such that the proposal is viewable by the identified risk cedents through a

computer network, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming a monetary risk of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents.

Furthermore, Walker does not describe or suggest a method that includes enabling at least one of the identified risk cedents to respond to the proposal to assume a monetary risk by electronically submitting to the risk carrier an offer to cede the monetary risk for acceptance by the risk carrier, and electronically accepting, by the risk carrier, the offer submitted by one of the identified risk cedents to form a contract.

Rather, Walker describes a system for facilitating a syndicated sale of an insurance policy wherein the insurance company (cedent) submits an invitation to offer, the investor (risk carrier) reviews the invitation to offer and submits an offer back to the insurance company (cedent), and the insurance company (cedent) either accepts or rejects the offer electronically. Notably, Walker does not describe or teach posting by the risk carrier on a server associated with the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents. In Walker, the risk carrier (i.e., the investor) transmits an investment order (i.e., an offer) to an insurance syndication service central server (120). Walker does not describe or teach that the insurance syndication service central server (120) is associated with the risk carrier (i.e., the investor).

Moreover, Walker does not describe or suggest posting by the risk carrier a proposal to assume a monetary risk of the identified risk cedents, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming a monetary risk of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents. (Emphasis added.) Rather, in contrast to what is asserted in the Office Action, Walker describes a system wherein the risk carrier (i.e., the investor) transmits an investment order (i.e., an offer) – not a proposal as recited in Claim 1 – to the insurance company (cedent) for acceptance or rejection.

Additionally, because the investor (risk carrier) in Walker does not submit proposals but rather offers and does not submit specific contractual language as recited in the current claims,

Walker does not describe or teach posting by the risk carrier on the server associated with the risk carrier a proposal to assume a monetary risk of the identified risk cedents wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents.

Furthermore, Walker does not describe or suggest a method that includes using a server associated with the risk carrier for electronically withdrawing the proposal from availability for submission as an offer to cede the monetary risk if further acceptance of the offer would reduce the available risk assumption capacity, as recalculated, below a selected amount.”

Applicant respectfully submits that Walker does not describe or teach using a server associated with the risk carrier for electronically withdrawing the proposal from availability for submission as an offer to cede the monetary risk if further acceptance of the offer would reduce the available risk assumption capacity, as recalculated, below a selected amount.” In fact, in Walker, neither the syndication service central server (120) nor any other server are described as being associated with the investor (risk carrier). Therefore, Walker does not teach using a server associated with the risk carrier for electronically withdrawing any proposals. Moreover, in Walker, the investor (risk carrier) does not submit “proposals” but rather only submits “offers” that are to be accepted or rejected by the insurance company (cedent). Thus, the investor in Walker cannot withdraw from availability for submission as an offer any proposals. Walker therefore does not describe or teach using a server associated with the risk carrier for electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount. Accordingly, Applicant respectfully submits that Claim 5 is patentable over Walker.

For at least the reasons set forth above, Claim 5 is submitted to be patentable over Walker.

Claims 6 and 7 depend from independent Claim 5. When the recitations of Claims 6 and 7 are considered in combination with the recitations of Claim 5, Applicant submits that dependent Claims 6 and 7 likewise are patentable over Walker.

Claim 8 recites a method for ceding a plurality of monetary risks from a risk cedent to a risk carrier using a server associated with the risk carrier, the server coupled to a database, the method includes “(a) calculating an available risk assumption capacity for the risk carrier including at least one of a per occurrence capacity and a cedent capacity, the per occurrence capacity is a predetermined amount of risk that represents a maximum amount of total risk that the risk carrier may assume for a specific type of risk, the cedent capacity is a predetermined amount of risk that represents a maximum amount of total risk that the risk carrier may assume for a specific cedent... (b) identifying a risk cedent having a class of risk that includes at least one type of risk that the risk carrier is interested in assuming under predetermined terms... (c) controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to the identified risk cedent and providing to the identified risk cedent secure access to selected data records... (d) posting by the risk carrier on the server associated with the risk carrier a plurality of proposals to assume a plurality of risks of the identified risk cedent such that the proposals are viewable by the cedent through a computer network, each proposal including financial terms and specific contractual language proposed by the risk carrier for assuming at least one risk of the identified risk cedent, the proposals are not offers to be accepted by the identified risk cedents... (e) initializing on the server the available risk assumption capacity of the risk carrier... (f) enabling electronic submission by the cedent of any one of the proposals to assume a plurality of risks as an offer to cede the plurality of risks for acceptance by the risk carrier... (g) electronically accepting, by the risk carrier the offer submitted by the cedent to form a contract... (h) electronically recalculating the available risk assumption capacity upon accepting the offer... and (i) using the server, associated with the risk carrier, for electronically withdrawing from availability for submission as an offer any of the proposals which have not been submitted for acceptance and whose acceptance would reduce the available risk assumption capacity, as recalculated, below a selected amount.”

Walker does not describe or suggest a method for ceding a plurality of monetary risks from a risk cedent to a risk carrier as recited in Claim 8. More specifically, Walker does not describe or suggest a method that includes controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to the identified risk cedent and providing to the identified risk cedent secure access to selected data records. Notably, in Walker, the investor (risk carrier) does not control access to the server.

Moreover, Walker does not describe or suggest a method that includes posting by the risk carrier on a server associated with the risk carrier a plurality of proposals to assume a plurality of risks of the identified risk cedent, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming at least one risk of the identified risk cedent, and wherein the proposals are not offers to be accepted by the identified risk cedents.

Furthermore, Walker does not describe or suggest enabling electronic submission by the cedent of any one of the proposals to assume a plurality of risks as an offer to cede the plurality of risks for acceptance by the risk carrier, and electronically accepting, by the risk carrier the offer submitted by the cedent to form a contract.

Rather, Walker teaches away from the present invention. Walker describes a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) to be accepted by the insurance company (cedent) electronically. In contrast, the present invention describes posting by the risk carrier a plurality of proposals to assume a plurality of risks of the identified risk cedent wherein the proposals are not offers to be accepted by the identified risk cedents, enabling electronic submission by the cedent of any one of the proposals to assume a plurality of risks as an offer to cede the plurality of risks for acceptance by the risk carrier, and electronically accepting by the risk carrier the offer submitted by the cedent to form a contract.

Additionally, because the investor (risk carrier) in Walker does not submit proposals but rather offers and does not submit specific contractual language, Walker does not describe or teach posting by the risk carrier a plurality of proposals to assume a plurality of risks of the identified risk cedents wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming at least one risk of the identified risk cedent.

Furthermore, Walker does not describe or suggest a method that includes using the server, associated with the risk carrier, for electronically withdrawing from availability for submission as an offer any of the proposals which have not been submitted for acceptance and whose acceptance would reduce the available risk assumption capacity, as recalculated, below a selected amount. In fact, in Walker, neither the syndication service central server (120) nor any other server are described as being associated with the investor (risk carrier). Therefore, Walker does not teach using a server associated with the risk carrier for electronically withdrawing any proposals. Moreover, in Walker, the investor (risk carrier) does not submit “proposals” but rather only submits “offers” that are to be accepted or rejected by the insurance company (cedent). Thus, the investor in Walker cannot withdraw from availability for submission as an offer any proposals. Walker therefore does not describe or teach step (h) of Claim 8. Accordingly, Applicant respectfully submits that Claim 8 is patentable over Walker.

For at least the reasons set forth above, Claim 8 is submitted to be patentable over Walker.

Claims 9 and 10 depend from independent Claim 8. When the recitations of Claims 9 and 10 are considered in combination with the recitations of Claim 8, Applicant submits that dependent Claims 9 and 10 likewise are patentable over Walker.

Claims 12-15 depend from independent Claim 11. Claim 11 recites a method for a reinsurer to sell treaty type reinsurance to a plurality of selected cedents using a server associated with the reinsurer, the server is coupled to a database, the method includes “(a) calculating an available risk assumption capacity for the reinsurer including at least one of a per occurrence capacity and a cedent capacity, the per occurrence capacity is a predetermined amount of risk

that the reinsurer may assume for a specific type of risk, the cedent capacity is a predetermined amount of risk that the reinsurer may assume for a specific cedent... (b) evaluating by a reinsurer an insurance portfolio of each of a plurality of cedents... (c) developing proposals to reinsurance selected insurance portfolios of the selected cedents... (d) controlling access to the server by the reinsurer and maintaining data stored within the database including storing data records relating to each of the selected cedents and providing to the selected cedents secure access to selected data records... (e) posting the proposals by the reinsurer on the server associated with the reinsurer such that the proposals are viewable through a computer network, each proposal including financial terms and specific contractual language proposed by the reinsurer to reinsurance selected insurance portfolios of the selected cedents using treaty type reinsurance, the proposals are not offers to be accepted by the selected cedents... (f) initializing on the server the available risk assumption capacity of the reinsurer... (g) providing by the reinsurer access through the computer network to the selected cedents to view the proposals... (h) enabling electronic submission by any one of the selected cedents of one of the proposals as an offer to cede a selected risk for acceptance by the reinsurer... (i) receiving the offer from the cedent by the reinsurer... (j) electronically accepting, by the reinsurer, the offer from the cedent to form a contract... (k) electronically recalculating the available risk assumption capacity upon accepting the offer... and (l) using the server associated with the reinsurer for electronically withdrawing from availability for submission as an offer to cede a selected risk any of the proposals whose acceptance would reduce the available risk assumption capacity, as recalculated, below a selected amount."

Walker does not describe or suggest a method for a reinsurer to sell treaty type reinsurance to a plurality of selected cedents as recited in Claim 11. More specifically, Walker does not describe or suggest a method that includes controlling access to the server by the reinsurer and maintaining data stored within the database including storing data records relating to each of the selected cedents and providing to the selected cedents secure access to selected data records. Notably, in Walker, the investor (risk carrier) does not control access to the server.

Walker does not describe or suggest a method that includes posting the proposals by the reinsurer on the server associated with the reinsurer such that the proposals are viewable through a computer network, wherein each proposal includes financial terms and specific contractual language proposed by the reinsurer to reinsurance selected insurance portfolios of the selected cedents using treaty type reinsurance, and wherein the proposals are not offers to be accepted by the selected cedents and do not include using a line of credit associated with a credit card as collateral for reinsuring the selected insurance portfolios.

Specifically, Walker does not describe, suggest or even mention using treaty type reinsurance in a proposal to reinsurance selected insurance portfolios.

Moreover, Walker does not describe or suggest enabling electronic submission by any one of the selected cedents of one of the proposals as an offer to cede a selected risk for acceptance by the reinsurer, receiving the offer from the cedent by the reinsurer, and electronically accepting, by the reinsurer, the offer from the cedent to form a contract. Notably, Walker teaches away from the present invention by describing a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) to be accepted or rejected by the insurance company (cedent) electronically. (Emphasis added.)

Furthermore, Walker does not describe or suggest using the server associated with the reinsurer for electronically withdrawing from availability for submission as an offer to cede a selected risk any of the proposals whose acceptance would reduce the available risk assumption capacity, as recalculated, below a selected amount. In fact, in Walker, neither the syndication service central server (120) nor any other server are described as being associated with the investor (risk carrier). Therefore, Walker does not teach using a server associated with the risk carrier for electronically withdrawing any proposals. Moreover, in Walker, the investor (risk carrier) does not submit "proposals" but rather only submits "offers" that are to be accepted or rejected by the insurance company (cedent). Thus, the investor in Walker cannot withdraw from availability for submission as an offer any proposals. Walker therefore does not describe or

teach step (k) of Claim 11. Accordingly, Applicant respectfully submits that Claim 11 is patentable over Walker.

When the recitations of Claims 12-15 are considered in combination with the recitations of Claim 11, Applicant submits that dependent Claims 12-15 likewise are patentable over Walker.

Claims 17-20 depend from independent Claim 16. Claim 16 recites a method for a reinsurer to sell reinsurance for a plurality of classes of insurance to a plurality of cedents using a server associated with the reinsurer, the server is coupled to a database, the method includes “(a) calculating an available risk assumption capacity for the reinsurer including at least one of a per occurrence capacity and a cedent capacity, the per occurrence capacity is a predetermined amount of risk that the reinsurer may assume for a specific type of risk, the cedent capacity is a predetermined amount of risk that the reinsurer may assume for a specific cedent... (b) developing, for each of the classes of insurance, a proposal to reinsurance portfolios of the cedents... (c) controlling access to the server by the reinsurer and maintaining data stored within the database including storing data records relating to each of the cedents and providing to the cedents secure access to selected data records... (d) posting the proposals by the reinsurer on the sever associated with the reinsurer such that selected ones of the proposals are viewable by selected ones of the cedents through a computer network, each proposal including financial terms and specific contractual language proposed by the reinsurer for assuming selected risks of a selected cedent, the proposals are not offers to be accepted by the selected cedents... (e) initializing on the server a cedent capacity for each of the cedents and a per occurrence capacity for each of the proposals... (f) enabling electronic submission by any one of the cedents of one of the proposals to assume selected risks associated with the cedent as an offer to cede a selected risk for acceptance by the reinsurer... (g) electronically accepting by the reinsurer the offer submitted by one of the selected cedents to form a contract... (h) electronically recalculating the cedent capacity of the cedent and the per occurrence capacity of the proposal upon accepting the offer... and (i) using the server associated with the reinsurer for electronically withdrawing from

availability for submission as an offer any of the proposals whose acceptance would reduce the cedent capacity and the per occurrence capacity, as recalculated, below a selected amount.”

For at least the reasons stated hereinabove, Walker does not describe or suggest a method for a reinsurer to sell reinsurance for a plurality of classes of insurance to a plurality of cedents as recited in Claim 16. Rather, Walker describes a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) to be accepted or rejected by the insurance company (cedent) electronically. Thus, in Walker and in contrast to the present invention, the cedent posts the invitation to offer, the risk carrier submits the offer, and the cedent accepts or rejects the offer. Accordingly, Applicant respectfully submits that Claim 16 is patentable over Walker.

When the recitations of Claims 17-20 are considered in combination with the recitations of Claim 16, Applicant submits that dependent Claims 17-20 likewise are patentable over Walker.

Claim 21 recites a method for a risk carrier to assume monetary risks from a plurality of risk cedents using a computer coupled to a database included within a computer network, the computer is associated with the risk carrier, the method includes “(a) calculating an available risk assumption capacity for the risk carrier including a per occurrence capacity and a cedent capacity, the per occurrence capacity is a predetermined amount of risk that represents a maximum amount of total risk that the risk carrier may assume for a specific type of risk, the cedent capacity is a predetermined amount of risk that represents a maximum amount of total risk that the risk carrier may assume for a specific cedent... (b) identifying risk cedents having a class of risk that includes at least one type of risk that the risk carrier is interested in assuming under predetermined terms... (c) controlling access to the computer by the risk carrier and maintaining data stored within the database including storing data records relating to each of the identified risk cedents and providing to the identified risk cedents secure access to selected data records... (d) posting, by the risk carrier, on a the computer network, a plurality of proposals to

assume selected risks of the identified risk cedents such that the proposals are viewable through the computer network, each proposal including financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, the proposals are not offers to be accepted by the identified risk cedents... (e) initializing on the computer network the available risk assumption capacity of the risk carrier including the per occurrence capacity and the cedent capacity for the risk carrier... (f) enabling electronic submission by any one of the cedents of one of the proposals associated therewith as an offer to cede a selected risk for acceptance by the risk carrier... (g) electronically accepting, by the risk carrier, the offer submitted by one of the risk cedents to form a contract... (h) electronically recalculating the available risk assumption capacity including the per occurrence capacity and the cedent capacity for the risk carrier upon accepting the offer... and (i) electronically withdrawing from availability or submission as an offer any of the proposals whose acceptance would reduce the available risk assumption capacity including the per occurrence capacity and the cedent capacity for the risk carrier, as recalculated, below a selected amount, such that electronic submission of any of the proposals which have been withdrawn from availability is prevented.”

Walker does not describe or suggest a method for a risk carrier to assume monetary risks from a plurality of risk cedents as recited in Claim 21. More specifically, Walker does not describe or suggest a method that includes controlling access to the computer by the risk carrier and maintaining data stored within the database including storing data records relating to each of the identified risk cedents and providing to the identified risk cedents secure access to selected data records. Notably, in Walker, the investor (risk carrier) does not control access to the server.

Moreover, Walker does not describe or suggest a method that includes posting, by the risk carrier, on a computer network, a plurality of proposals to assume selected risks of the identified risk cedents, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents.

Furthermore, Walker does not describe or suggest enabling electronic submission by any one of the cedents of one of the proposals associated therewith as an offer to cede a selected risk for acceptance by the risk carrier, and electronically accepting, by the risk carrier, the offer submitted by one of the risk cedents to form a contract.

Rather, Walker describes a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) to be accepted or rejected by the insurance company (cedent) electronically. Thus, in Walker and in contrast to the present invention, the cedent posts the invitation to offer, the risk carrier submits the offer, and the cedent accepts or rejects the offer.

Furthermore, Walker does not describe or suggest electronically withdrawing from availability or submission as an offer any of the proposals whose acceptance would reduce the available risk assumption capacity including the per occurrence capacity and the cedent capacity for the risk carrier, as recalculated, below a selected amount, such that electronic submission of any of the proposals which have been withdrawn from availability is prevented. Accordingly, Applicant respectfully submits that Claim 21 is patentable over Walker.

For at least the reasons set forth above, Claim 21 is submitted to be patentable over Walker.

Claim 22 recites a network based system for assuming monetary risks by a risk carrier from a plurality of risk cedents, the system includes a client system, a database for storing information relating to the plurality of risk cedents, and a server system associated with the risk carrier configured to be coupled to the client system and the database, "said server system comprising an accessing component that enables the risk carrier to control access to the server system and maintain data stored within the database including storing data records relating to the risk cedents and providing to the risk cedents secure access to selected data records, said server system further configured to...calculate an available risk assumption capacity for the risk carrier

including at least one of a per occurrence capacity and a cedent capacity, said per occurrence capacity is a predetermined amount of risk that the risk carrier may assume for a specific type of risk, said cedent capacity is a predetermined amount of risk that the risk carrier may assume for a specific cedent...identify risk cedents having a class of risk that includes at least one type of risk that the risk carrier is interested in assuming under predetermined terms...receive from the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents such that said proposals are viewable through said server, each proposal including financial terms and specific contractual language proposed by the risk carrier for assuming selected risks of the identified risk cedents, the proposals are not offers to be accepted by the identified risk cedents and do not include using a line of credit associated with a credit card as collateral for assuming the selected risks...store said available risk assumption capacity of the risk carrier in said database...receive from the identified cedents via said client system one of said proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the risk carrier...enable the risk carrier to accept said offer submitted by one of the identified cedents to form a contract...recalculate said available risk assumption capacity upon accepting said offer...and withdraw from availability for submission as an offer any of said proposals whose acceptance by the risk carrier would reduce said available risk assumption capacity, as recalculated, below a selected amount."

Walker does not describe or suggest a network based system for assuming monetary risks by a risk carrier from a plurality of risk cedents as recited in Claim 22. More specifically, Walker does not describe or suggest a system that includes a server system associated with the risk carrier configured to be coupled to the client system and the database, wherein the server system includes an accessing component that enables the risk carrier to control access to the server system and maintain data stored within the database including storing data records relating to the risk cedents and providing to the risk cedents secure access to selected data records.

Moreover, Walker does not describe or suggest a server system configured to receive from the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents, wherein each proposal includes financial terms and specific contractual language

proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents and do not include using a line of credit associated with a credit card as collateral for assuming the selected risks.

In fact, Walker describes a system wherein an investor (risk carrier) submits an offer to purchase shares of an insurance policy in syndication to the insurance company (cedent) wherein the offer includes a credit card type, credit card number, issuing bank and expiration date. If the investor has sufficient available credit on the credit card, the issuing bank server freezes the necessary line of credit on the user's credit card for the specified time as collateral. In other words, in contrast to what is claimed in Claim 22, Walker describes a system wherein the risk carrier submits an offer (not a proposal) to the cedent, and the offer in Walker clearly includes using a line of credit associated with a credit card as collateral for assuming the risk.

Moreover, Walker does not describe or suggest a server system configured to receive from the identified cedents via the client system one of the proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the risk carrier, and enable the risk carrier to accept the offer submitted by one of the identified cedents to form a contract.

Rather, Walker describes a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) to be accepted or rejected by the insurance company (cedent) electronically. Thus, in Walker and in contrast to the present invention, the cedent posts the invitation to offer, the risk carrier submits the offer, and the cedent accepts or rejects the offer.

Furthermore, Walker does not describe or suggest a server system configured to withdraw from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a

selected amount. In fact, in Walker, the investor (risk carrier) does not submit “proposals” but rather only submits “offers” that are to be accepted or rejected by the insurance company (cedent), and thus, the investor in Walker cannot withdraw from availability for submission as an offer any proposals. Walker therefore does not describe or teach the system as recited in Claim 22. Accordingly, Applicant respectfully submits that Claim 22 is patentable over Walker.

For at least the reasons set forth above, Claim 22 is submitted to be patentable over Walker.

When the recitations of Claims 23-24 are considered in combination with the recitations of Claim 22, Applicant submits that dependent Claims 23-24 likewise are patentable over Walker.

Claims 27-29 depend from independent Claim 26. Claim 26 recites a network based system for a reinsurer to sell reinsurance for a plurality of classes of insurance to a plurality of cedents, the system including a client system, a database for storing information relating to the plurality of cedents, and a server system associated with the reinsurer configured to be coupled to the client system and the database, “said server system comprising an accessing component that enables the reinsurer to control access to the server system and maintain data stored within the database including storing data records relating to the plurality of cedents and providing to the cedents secure access to selected data records, said server system further configured to...calculate an available risk assumption capacity for the reinsurer including at least one of a per occurrence capacity and a cedent capacity, said per occurrence capacity is a predetermined amount of risk that represents a maximum amount of total risk that the reinsurer may assume for a specific type of risk, said cedent capacity is a predetermined amount of risk that represents a maximum amount of total risk that the reinsurer may assume for a specific cedent...generate, for each of said classes of insurance, a proposal for the reinsurer to reinsure insurance portfolios of the cedents...post proposals such that selected ones of said proposals are viewable by selected ones of the cedents, each proposal including financial terms and specific contractual language proposed by the risk carrier for assuming selected risks associated with selected cedents, the proposals are not offers to be accepted by the selected cedents...store a cedent capacity for each

of the cedents and a per occurrence capacity for each of said proposals...receive from any one of the cedents via said client system one of said proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the reinsurer...enable the reinsurer to accept said offer submitted by one of the selected cedents to form a contract...recalculate said cedent capacity of the cedent and said per occurrence capacity of the proposal upon accepting said offer...and withdraw from availability for submission as an offer any of said proposals whose acceptance would reduce said cedent capacity and said per occurrence capacity, as recalculated, below a selected amount.”

Walker does not describe or suggest a network based system for a reinsurer to sell reinsurance for a plurality of classes of insurance to a plurality of cedents as recited in Claim 26. More specifically, Walker does not describe or suggest a system that includes a server system associated with the reinsurer configured to be coupled to the client system and the database, wherein the server system includes an accessing component that enables the reinsurer to control access to the server system and maintain data stored within the database including storing data records relating to the plurality of cedents and providing to the cedents secure access to selected data records.

Moreover, Walker does not describe or suggest a server system configured to post proposals such that the proposals are viewable by the cedents, wherein each proposal includes financial terms and specific contractual language proposed by the risk carrier for assuming selected risks associated with selected cedents, and wherein the proposals are not offers to be accepted by the selected cedents.

Moreover, Walker does not describe or suggest a server system configured to receive from any one of the cedents via the client system one of the proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the reinsurer, and enable the reinsurer to accept the offer submitted by one of the selected cedents to form a contract.

Rather, Walker describes a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) to be accepted or rejected by the insurance company (cedent) electronically. Thus, in Walker and in contrast to the present invention, the cedent posts the invitation to offer, the risk carrier submits the offer, and the cedent accepts or rejects the offer.

Furthermore, Walker does not describe or suggest a server system configured to withdraw from availability for submission as an offer any of the proposals whose acceptance would reduce the cedent capacity and the per occurrence capacity, as recalculated, below a selected amount. In fact, in Walker, neither the syndication service central server (120) nor any other server are described as being associated with the investor (risk carrier). Moreover, in Walker, the investor (risk carrier) does not submit “proposals” but rather only submits “offers” that are to be accepted or rejected by the insurance company (cedent), and thus, the investor in Walker cannot withdraw from availability for submission as an offer any proposals. Walker therefore does not describe or teach the system as recited in Claim 26. Accordingly, Applicant respectfully submits that Claim 26 is patentable over Walker.

When the recitations of Claims 27-28 are considered in combination with the recitations of Claim 26, Applicant submits that dependent Claims 27-28 likewise are patentable over Walker.

In addition to the arguments set forth above, Applicant further submits that the Section 103 rejection of Claims 1-3, 5-10, 12-15, 17-24, and 27-29 is not a proper rejection. The mere assertion that such an apparatus would have been obvious to one of ordinary skill in the art does not support a *prima facie* obvious rejection. Rather, each allegation of what would have been an obvious matter of design choice must always be supported by citation to some reference work recognized as standard in the pertinent art, and Applicant given an opportunity to challenge the correctness of the assertion or the repute of the cited reference. Applicant has not been provided with the citation to any reference supporting the combination made in the rejection. The

rejection, therefore, fails to provide the Applicant with a fair opportunity to respond to the rejection, and fails to provide the Applicant with the opportunity to challenge the correctness of the rejection. Therefore, Applicant respectfully requests that the Section 103 rejection be withdrawn.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claims 1-3, 5-10, 12-15, 17-24, and 27-29 be withdrawn.

The rejection of Claim 4 under 35 U.S.C. § 103(a) as being unpatentable over Walker et al. (U.S. Patent No. 6,119,093) (“Walker”) in view of Bestwire, *CNA Life Re Pilots Online System for Direct Writers and Reinsurers*, November 12, 1999 (“Bestwire”) is respectfully traversed.

Claim 4 depends from independent Claim 1. Claim 1 is recited hereinabove.

Walker is described above. Bestwire describes a system or website in which direct insurance writers, or cedents, post information on specific insurance contracts or applications for insurance as a proposal for which reinsurers are then invited to make an offer to reinsurance or assume a portion of the risk.

Applicant submits that neither Walker nor Bestwire, considered alone or in combination, describe or suggest a method as described in Claim 1. More specifically, neither Walker nor Bestwire, considered alone or in combination, describe or suggest a method that includes controlling access to the server by the risk carrier and maintaining data stored within the database including storing data records relating to each of the identified risk cedents and providing to the identified risk cedents secure access to selected data records. Notably, in Walker, the investor (risk carrier) does not control access to the server.

Moreover, Walker does not describe or suggest a method that includes posting by the risk carrier on a server associated with the risk carrier a plurality of proposals to assume selected risks of the identified risk cedents such that the proposals are viewable through a computer network, wherein each proposal includes financial terms and specific contractual language

proposed by the risk carrier for assuming selected risks of the identified risk cedents, and wherein the proposals are not offers to be accepted by the identified risk cedents.

Further, neither Walker nor Bestwire, considered alone or in combination, describe or suggest a method that includes enabling electronic submission by any one of the identified cedents of one of the proposals to assume selected risks associated with the cedent as an offer by the cedent to cede a selected risk for acceptance by the risk carrier, and electronically accepting, by the risk carrier, the offer submitted by one of the identified cedents to form a contract.

Rather, in contrast to the present invention, Walker describes a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) such that the insurance company (cedent) can accept or reject the offer electronically; and Bestwire describes a system or website in which direct insurance writers, or cedents, post information on specific insurance contracts or applications for insurance as a proposal for which reinsurers are then invited to make an offer to reinsurance or assume a portion of the risk. Thus, in both Walker and in Bestwire, and in contrast to the present invention, the cedent posts the invitation to offer, the risk carrier submits the offer, and the cedent accepts the offer.

Furthermore, neither Walker nor Bestwire, considered alone or in combination, describe or suggest a method that includes using the server associated with the risk carrier for electronically withdrawing from availability for submission as an offer any of the proposals whose acceptance by the risk carrier would reduce the available risk assumption capacity, as recalculated, below a selected amount. In fact, in contrast to the present invention, neither Walker nor Bestwire describe a server associated with the risk carrier (i.e., the investor and the reinsurer). Moreover, in both Walker and Bestwire, and in contrast to the present invention, the risk carrier (i.e., the investor and the reinsurer) does not submit "proposals" but rather only submits "offers" that are to be accepted by the insurance company (cedent), and thus, the risk carrier in both references cannot withdraw from availability for submission as an offer any

proposals. Accordingly, Applicant respectfully submits that Claim 1 is patentable over Walker in view of Bestwire.

In addition, Claim 4, which depends on Claim 1, recites a method in accordance with Claim 1 that further includes “posting by the risk carrier on the server contracts already entered into between the risk carrier and at least one cedent wherein the contracts are viewable by only the risk carrier and the corresponding cedent.” Neither of the cited references describe or teach such a recitation.

When the recitations of Claim 4 are considered in combination with the recitations of Claim 1, Applicant submits that dependent Claim 4 likewise is patentable over Walker in view of Bestwire.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claim 4 be withdrawn.

The rejection of Claim 11 under 35 U.S.C. § 103(a) as being unpatentable over Bestwire, *CNA Life Re Pilots Online System for Direct Writers and Reinsurers*, November 12, 1999 (“Bestwire”) in view of Walker et al. (U.S. Patent No. 6,119,093) (“Walker”) is respectfully traversed.

Bestwire and Walker are both described above. Claim 11 is recited hereinabove.

Neither Bestwire nor Walker, considered alone or in combination, describe or suggest a method for a reinsurer to sell treaty type reinsurance to a plurality of selected cedents as recited in Claim 11. More specifically, neither Bestwire nor Walker, alone or in combination, describe or suggest a method that includes controlling access to the server by the reinsurer and maintaining data stored within the database including storing data records relating to each of the selected cedents and providing to the selected cedents secure access to selected data records.

Moreover, neither Bestwire nor Walker, considered alone or in combination, describe or suggest a method that includes posting the proposals by the reinsurer on the server associated with the reinsurer such that the proposals are viewable through a computer network, wherein

each proposal includes financial terms and specific contractual language proposed by the reinsurer to reinsurance selected insurance portfolios of the selected cedents using treaty type reinsurance, and wherein the proposals are not offers to be accepted by the selected cedents and do not include using a line of credit associated with a credit card as collateral for reinsuring the selected insurance portfolios.

Specifically, neither Bestwire nor Walker, alone or in combination, describe, suggest or even mention using treaty type reinsurance in a proposal to reinsurance selected insurance portfolios.

Further, neither Bestwire nor Walker, considered alone or in combination, describe or suggest enabling electronic submission by any one of the selected cedents of one of the proposals as an offer to cede a selected risk for acceptance by the reinsurer, receiving the offer from the cedent by the reinsurer, and electronically accepting, by the reinsurer, the offer from the cedent to form a contract.

Rather, Bestwire describes a system or website in which direct insurance writers, or cedents, post information on specific insurance contracts or applications for insurance as a proposal for which reinsurers are then invited to make an offer to reinsurance or assume a portion of the risk; and Walker describes a system for facilitating a syndicated sale of an insurance policy wherein an insurance company (cedent) posts an invitation to offer to buy a share of an insurance policy to a server such that an investor (risk carrier) can review these invitations to offer and submit an offer back to the insurance company (cedent) to be accepted or rejected by the insurance company (cedent) electronically. Thus, in both Walker and in Bestwire, and in contrast to the present invention, the cedent posts the invitation to offer, the risk carrier submits the offer, and the cedent accepts the offer.

Furthermore, neither Bestwire nor Walker, alone or in combination, describe or suggest using the server associated with the reinsurer for electronically withdrawing from availability for submission as an offer to cede a selected risk any of the proposals whose acceptance would reduce the available risk assumption capacity, as recalculated, below a selected amount.

Accordingly, Applicant respectfully submits that Claim 11 is patentable over Bestwire in view of Walker.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claim 11 be withdrawn.

The rejection of Claim 16 and 25-26 under 35 U.S.C. § 103(a) as being unpatentable over Walker et al. (U.S. Patent No. 6,119,093) (“Walker”) in view of Bestwire, *CNA Life Re Pilots Online System for Direct Writers and Reinsurers*, November 12, 1999 (“Bestwire”) is respectfully traversed.

Walker and Bestwire are both described above. Claim 16 is recited above.

As stated above, Walker does not describe or suggest a method for a reinsurer to sell reinsurance for a plurality of classes of insurance to a plurality of cedents as recited in Claim 16. Moreover, for the reasons set forth above, neither Walker nor Bestwire, considered alone or in combination, describe or suggest a method as recited in Claim 16. Accordingly, Applicant respectfully submits that Claim 16 is patentable over Walker in view of Bestwire.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claim 16 be withdrawn.

Claim 25 depends from independent Claim 22. Claim 22 is recited hereinabove. As stated above, Walker does not describe or suggest the system recited in Claim 22. Moreover, for the reasons set forth above, neither Walker nor Bestwire, alone or in combination, describe or suggest the system recited in Claim 22. Accordingly, Applicant respectfully submits that Claim 22 is patentable over Walker in view of Bestwire.

When the recitations of Claim 25 are considered in combination with the recitations of Claim 22, Applicant submits that dependent Claim 25 likewise is patentable over Walker in view of Bestwire.

Claim 26 is recited herein above. As stated above, Walker does not describe or suggest the system recited in Claim 26. Moreover, for the reasons set forth above, neither Walker nor Bestwire, alone or in combination, describe or suggest the system recited in Claim 26. Accordingly, Applicant respectfully submits that Claim 26 is patentable over Walker in view of Bestwire.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claim 26 be withdrawn.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claims 16 and 25-26 be withdrawn.

In addition to the arguments set forth above, Applicant respectfully submits that the Section 103 rejection of Claims 4, 11, 16, and 25-26 is not a proper rejection. Obviousness cannot be established by merely suggesting that it would have been obvious to one of ordinary skill in the art to modify Walker using the teachings of Bestwire. More specifically, as is well established, obviousness cannot be established by combining the teachings of the cited art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combinations. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. Specifically, one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. Further, it is impermissible to pick and choose from any one reference only so much of it as will support a given position, to the exclusion of other parts necessary to the full appreciation of what such reference fairly suggests to one of ordinary skill in the art.

As the Federal Circuit has recognized, obviousness is not established merely by combining references having different individual elements of pending claims. Ex parte Levingood, 28 U.S.P.Q.2d 1300 (Bd. Pat. App. & Inter. 1993). MPEP 2143.01. Rather, there must be some suggestion, outside of Applicants' disclosure, in the prior art to combine such references, and a reasonable expectation of success must be both found in the prior art, and not

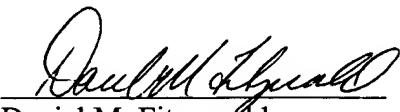
based on Applicants' disclosure. In re Vaeck, 20 U.S.P.Q.2d 1436 (Fed. Cir. 1991). In the present case, neither a suggestion or motivation to combine the prior art disclosures, nor any reasonable expectation of success has been shown.

Neither Walker nor Bestwire, considered alone or in combination, describe or suggest the combination(s) in Claims 4, 11, 16, and 25-26. Rather, the Section 103 rejection of Claims 4, 11, 16, and 25-26 appears to be based on a combination of teachings selected from multiple references in an attempt to arrive at the claimed invention. Since there is no teaching nor suggestion for the combination of Walker and Bestwire, the Section 103 rejection appears to be based on a hindsight reconstruction in which isolated disclosures have been picked and chosen in an attempt to deprecate the present invention. Of course, such a combination is impermissible, and for this reason also, Applicant requests that the Section 103 rejection of Claims 4, 11, 16, and 25-26 be withdrawn.

For at least the reasons set forth above, Applicant respectfully requests that the Section 103 rejection of Claims 4, 11, 16, and 25-26 be withdrawn.

In view of the foregoing amendments and remarks, all the claims now active in this application are believed to be in condition for allowance. Reconsideration and favorable action is respectfully solicited.

Respectfully Submitted,



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